

**IN THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION**

STEPHEN PICKELL,)	
)	
Plaintiff,)	
)	
vs.)	
)	Case No. 09-CV-00084-GAF
HSBC MORTGAGE SERVICES, INC.,)	
HOUSEHOLD FINANCE CORPORATION)	
III, HSBC MORTGAGE CORPORATION,)	
HOUSEHOLD FINANCIAL SERVICES,)	
INC., and HOUSEHOLD REALTY)	
CORPORATION,)	
)	
Defendants.)	

DEFENDANTS' STATUS REPORT

Defendants submit the following status report as directed by the Court's Order dated November 12, 2009.

1. The parties have worked cooperatively and in good faith in their continuing negotiations toward a settlement throughout the period of the stay granted by the Court.

2. The structure of the current settlement proposal includes five principal terms. As of the date of this Court's Order, the parties had reached agreement on three of the principal terms – all three of which will provide substantial benefit to plaintiff. Since the entry of the Order, the parties have resolved the fourth item - the amount of a cash payment to be made to plaintiff. The only remaining issue to be resolved is the amount to be paid to plaintiff's counsel for attorneys fees.

3. While the negotiations have proceeded more slowly than the parties and Court may have anticipated, significant progress has been made throughout the period that the Court has stayed this action.

4. There remains a material difference between defendants' proposal and plaintiff's demand for attorneys fees. But, defendants remain willing to continue negotiations, including with the Court's assistance, on the remaining issue in an attempt to reach a settlement.

5. Defendants respectfully request that this Court continue the stay of this action to allow the parties additional time to work toward resolution of the case.

November 27, 2009

Respectfully submitted,

SHOOK, HARDY & BACON, L.L.P.

By s/ Todd W. Ruskamp

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CERTIFICATE OF SERVICE

The undersigned certifies that this document was filed electronically with the United States District Court for the Western District of Missouri, Western Division this 27th day of November, 2009 with notice of case activity to be generated and sent electronically by the Clerk to all designated persons.

/s/ Todd W. Ruskamp